

August 25, 2006

Mr. Les Boles, Director  
Office of State Budget  
1201 Main Street, Suite 950  
Columbia, SC 29201

Dear Mr. Boles:

Enclosed is the FY 2007 – 2008 Budget Request for the Office of First Steps to School Readiness. The State Board of Trustees voted on this request.

We appreciate very much your consideration of our budget request and if you need additional information, please contact Rodney Jenkins or me at 734-0479.

Sincerely,

Susan W. DeVenny  
Director

Enclosure

## FISCAL YEAR 2007-08 BUDGET PLAN

### I. EXECUTIVE SUMMARY

**A. Agency Section/Code/Name:** Section 1, H63 – Department of Education, SC First Steps to School Readiness

**B. Statewide Mission:** First Steps will promote improve school readiness through collaborative state and county partnerships that generate results-oriented initiatives. First Steps initiatives will mobilize communities and enhance agency collaboration in order to (a) enhance the readiness of young children to enter first grade successfully in terms of cognition, general knowledge, language, health, social skills, and emotional well-being; (b) strengthen the capacity of families to be their children’s first and most important teachers; and (c) facilitate service delivery.

**C. Summary Description of Strategic or Long-Term Goals:**

The purpose of the First Steps initiative [Section 59-152-20] is to “develop, promote, and assist efforts of agencies, private providers, and public and private organizations and entities, at the state level and the community level, to collaborate and cooperate in order to focus and intensify services, assure the most efficient use of all available resources, and eliminate duplication of efforts to serve the needs of young children and their families.”

The goals of First Steps [SECTION 59-152-30] are as follows:

1. To provide parents with access to the support they might seek and want to strengthen their families and to promote the optimal development of their preschool children;
2. To increase comprehensive services so children have reduced risk for major physical, developmental, and learning problems;
3. To promote high quality preschool programs that provide a healthy environment that will promote normal growth and development;
4. To provide services so all children receive the protection, nutrition, and health care needed to thrive in the early years of life so they arrive at school ready to learn; and
5. To mobilize communities to focus efforts on providing enhanced services to support families and their young children so as to enable every child to reach school healthy and ready to learn

**D.**

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: First Steps	0	\$59,891,480	0	0	\$59,891,480	0	0	12	12.00

Summary of Operating Budget Priorities for FY 2007-08:	FUNDING					FTEs			
	State Non- Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Strategic Goal No. Referenced in <u>Item C Above (if applicable)</u> : Activity Number & Name: 799 – 806; Early Education, Child Care, Parenting/Family Literacy, Health, School Transition, Pre-Kindergarten Expansion, Centers of Excellence Expansion, State and County Administration									
	0	0	0	0	0	0	0	0	0.00
	0	0	0	0	\$ 0	0	0	0	0.00
TOTAL OF ALL PRIORITIES	\$ 0	\$59,891,480	\$ 0	\$ 0	\$59,891,480	0.00	0.00	12	12.00

**E. Agency Recurring Base Appropriation:**

State           \$ 18,389,290  
Federal  
Other         \$ 2,000,000 (EIA)

**F. Efficiency Measures:** Activity Numbers: 799; 800; 801; 802; 803; 805; 806

**G.**

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0

TOTAL OF ALL CAPITAL BUDGET PRIORITIES	\$ 0	\$ 0	\$ 0	\$ 0
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\* If applicable

**H. Number of Proviso Changes:**

I.     Susan W. DeVenny                      First Steps to School Readiness                      Rodney C. Jenkins, CFO                      803 734-0479  
Director Signature                                      Agency                                      Contacts                                      Telephone Numbers:

## II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

- A. Agency Section/Code/Name: Section 1, H63 – Department of Education, First Steps to School Readiness
- B. Priority No. \_\_1\_\_ of \_\_1\_\_
- C. (1) Title: First Steps to School Readiness  
(2) Summary Description: Statewide school readiness initiative for all children from birth to age 5.  
(3) Strategic Goal/Action Plan (*if applicable*): Same as Executive Summary
- D. Budget Program Number and Name: First Steps XVI
- E. Agency Activity Number and Name: 799 – Early Education; 800 – Child Care; 801 – Parent/Family Literacy; 802 – Health; 803 – Administration; 805 – School Transition; 806 – Pre-Kindergarten Program and Centers of Excellence
- F. Detailed Justification for Funding

(1) Justification for Funding Increase:

**Program Expansion:**

**1. Expand the First Steps Centers of Excellence model to provide coordinated readiness interventions to high-risk children (0-4) and their families.**

Based in the original work of Georgetown County First Steps, the First Steps Centers of Excellence model received \$2M in proviso funding during FY07 to expand services within the trail and plaintiff school districts. The model integrates nine best-practice components and provides targeted scholarships to children with parenting and health interventions, all within high quality early education settings who are receiving intensive professional development and quality supports. First Steps is requesting additional funds to sustain the pilot sites, expand its competitive grant process to private and/or non-profit providers statewide, and incorporate rigorous, longitudinal evaluation of the model.

**ESTIMATED CHILDREN SERVED: 7,000**

- 2. Expand the provision of four-year-old kindergarten to cover income-eligible children statewide.** Proviso 1.75, the South Carolina Child Development Education Pilot Program, charged First Steps with overseeing the state's first-ever large-scale expansion of publicly-funded 4K in private settings, within a defined service area during FY 07. Building upon the successes of the pilot year, First Steps requests additional funding to serve income-eligible children in non-public settings *statewide*. To ensure high quality services are available for families of eligible four-year old children in both the state's public schools and in non-public settings (with updated access figures and additional pilot data needed to determine a precise estimate of the statewide need and associated costs), First Steps requests one-third to one-half of the amount needed to adequately serve all eligible four-year old children whose parents choose pre-kindergarten.

The range requested below estimates the cost of service to between one-third and one-half of South Carolina's four-year-old free-and reduced- priced lunch eligible children at the pilot's combined per student and transportation cost (\$3262 per child). Note that this figure does not currently take materials and equipment grants or administration and staffing into account

**ESTIMATED CHILDREN SERVED: 11,000 to 16,000**

3. **Expand and Integrate High Quality Parenting Supports to the Families of Low Income Preschoolers.** First Steps proposes to expand its provision of intensive family supports to the families of children in poverty. These efforts will be coordinated in partnership with health, literacy, philanthropic and faith-based partners.

**ESTIMATED CHILDREN SERVED: 1,500-1,800**

**B. Public Policy Expansion**

1. **Pilot the South Carolina School Readiness Index (SRI)**, a proposed public policy measure of readiness to students identified through First Steps' strategic alliance with provider partners, both public and private.
2. **Enhance the state's early childhood data collection systems** through development and implementation of a uniform client tracking system through collaboration with CIO, ORS, and other agencies serving the state's young children and their families. Provide funds to support the further development of the Early Childhood Cube at the Office of Research and Statistics.
3. Collaborate with stakeholders to develop **implementation plans to support legislative action relating to program quality standards for programs serving children 0-4**, to include quality enhancement grants and incentives, access to high quality technical assistance, and support for any necessary statutory or regulatory changes required.

(2)

<b>FY 2007-08 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*				12	12.00
(b) Personal Service		\$720,000			\$ 720,000
(c) Employer Contributions		\$201,600			\$201,600

Program/Case Services					\$ 0
Pass-Through Funds		\$57,083,640			\$57,083,640
Other Operating Expenses		\$1,886,240			\$ 1,886,240
<b>Total</b>	\$ 0	\$ 59,891,480	\$ 0	12	\$ 59,891,480
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State       \$ 18,389,290  
Federal  
Other       \$ 2,000,000 (EIA)

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: **Current operations include several temporary staff positions. To implement First Steps' expanded legislative mandate ---as well as to provide the necessary, specialized technical assistance required to assist county partnerships with specific agency mandates (including added evaluation and program impact requirements)-- we envision the need to (a) convert select temporary personnel to permanent staff positions, and (after careful review with other agencies serving children and families to ensure state resources do not already exist that can be accessed through a temporary department loan, etc) (b) add additional positions to the state level technical assistance staff.**

(b) Future Impact on Operating Expenses or Facility Requirements: Operating expenses are included in detail request.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Manager I					
(a) Number of FTEs				2	2.00
(b) Personal Service				\$140,000	\$ 140,000
(c) Employer Contributions				\$39,200	\$ 39,200

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator II					
(a) Number of FTEs				8	8.00
(b) Personal Service				\$500,000	\$ 500,000

(c) Employer Contributions				\$140,000	\$ 140,000
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	State	Federal	Earmarked	Restricted	Total
Position Title: Administrator Coordinator					
(a) Number of FTEs				2	2.00
(b) Personal Service				\$80,000	\$ 80,000
(c) Employer Contributions				\$22,400	\$ 22,400

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State \_\_\_\_\_  
Federal      6    
Other       14 

**Agency-wide Vacant FTEs as of July 31, 2006:           0**

**H. Other Comments:**

The reauthorization of First Steps in June 2006, along with the school equity funding ruling in December 2005, provides policy makers, the First Steps Board of Trustees, its staff and volunteers at state and county levels, and all child- and family-serving partners with a renewed resolve to increase and intensify services to our state's youngest learners at risk of school failure. As such, the board during 2007 will be taking a formal look at the needs for increased coordination and collaboration among entities serving young children. As set out in statute [Section 20-7-9720], set forth in the agency's 2004 improvement plan (The Blueprint for South Carolina's Children), and as part of the state's new Early Childhood Comprehensive Systems and National Governors' Association grants, the board will be redoubling its efforts to ensure all partners serving children, both public and private, have the opportunity to assist the board in its legislated requirement to "assess and develop recommendations: for ensuring coordination and collaboration among service providers at both the state and county level, for increasing the efficiency and effectiveness of state programs and funding and other programs and funding sources, as allowable, as necessary to carry out the First Steps to School Readiness initiative, including additional fiscal strategies, redeployment of state resources, and development of new programs."



First Steps will continue to support and assist other programs at both state and county levels as services are added, expanded, or further targeted to meet the needs of South Carolina's youngest children as they prepare for school success. A specific review of current economic and achievement data (completed in consultation with our partners from the business, evaluation, and education policy communities at both state and national levels), will assist First Steps through 2009 in its efforts to (1) further identify, target, and deliver research-based and outcome-oriented school readiness interventions to young children and families in need, and (2) promote policies which increase child readiness outcomes and increase South Carolina's ability to be a "ready state."